

## Amendments to the Claims

1 1. (original) A method for encoding a video including a sequence of frames,  
2 comprising:  
3       measuring a variance of pixel intensities in a current frame;  
4       assigning, according to rate and buffer fullness constraints, a number  
5 of bits to encode the current frame;  
6       determining a multiplier value directly as a function of only the  
7 variance and the number of bits assigned to the current frame;  
8       estimating motion vectors between a reference frame and the current  
9 frame;  
10      determining a sum of absolute difference (SAD) based on a motion  
11 compensated residual between the reference frame and the current frame;  
12      selecting an encoding mode for each macro block in the current frame  
13 based on the sum of absolute difference, the motion vectors and the  
14 multiplier value; and  
15      encoding the motion compensated residual based on the encoding  
16 mode, multiplier value and the number of allocated bits.

1 2. (original) The method of claim 1, in which the encoding further  
2 comprises:  
3       determining a quantization scale as a function of only the multiplier  
4 value and the number of bits assigned to the current frame;  
5       extracting rate and distortion information associated with encoding  
6 each macro block in frame DCT mode and field DCT mode;

7        selecting a DCT type for each macro block in the current frame based  
8    on the multiplier value and the rate and distortion information;  
9        transforming each macro block according to the selected DCT type;  
10      quantizing each transformed macro block according to the selected  
11    quantizer; and  
12      variable-length coding each quantized macro block as a bitstream.

3. (canceled)

1    4. (original) The method of claim 1, in which the multiplier value is  
2     $\lambda = 2 \ln 2 \times \sigma^2 2^{-2R}$ , where  $R$  is the rate, and  $\sigma^2$  is the variance.

5. (canceled)

6. (canceled)

7. (canceled)

1    8. (original) The method of claim 1, in which the selecting of the encoding  
2    mode further comprises:  
3        minimizing a cost function  $\text{cost} = D + \lambda R$ , where  $D$  is the distortion,  $R$   
4    is the rate,  $\lambda$  is the multiplier;  
5        modeling the distortion  $D$  by  $D(Q, SAD) = a \times Q \times SAD$ , where  $a$  is a  
6    constant coefficient; and  
7        modeling the rate by  $R(Q, SAD) = M/V + b \times SAD/Q$ , where  $M/V$  is an  
8    encoding rate for the motion vectors, and  $b$  is a constant coefficient.

- 1 9. (original) The method of claim 2, in which the selecting of the DCT type
- 2 is based on the multiplier.

  

- 1 10. (original) The method of claim 2, in which the quantization scale is
- 2 selected with a sliding window.